



City of Cincinnati

DATE: October 26, 2005

CITY OFFERS TAX BREAKS FOR REMODELING

As a homeowner, remodeling your home can be a fun project. You might install that in-ground pool you have always wished for during hot summers or revamp your garage to double as a place to restore an old car. Wouldn't it be nice if you would receive tax benefits along with the personal advantages that come with remodeling your home? You bet it would, and the City of Cincinnati wants to reward you.

The City of Cincinnati is offering a 10-year tax abatement on improvements you make to your property resulting in increased property values. That means, for a period 10 years, you only pay property taxes on the original value of your home, not the increased value resulting from your remodeling.

For example, if you own a \$75,000 home and you remodel your kitchen at a cost of \$25,000, you are only responsible for property taxes on that original \$75,000 in value.

Improvements to an existing home or purchasing a newly constructed home are eligible for the tax break up to a maximum of \$231,854 market value.

Improvements to the house itself, garage, in ground pool, and patios qualify for the tax abatement program. Some types of remodeling may improve the condition of the house, but are not eligible for this program. Roofing, vinyl siding, windows, gutters, landscaping, retaining walls, driveways, and painting may be necessary to maintain the house, but do not qualify for this program. The Hamilton County Auditor's Office determines the amount of the abatement based on the type of improvements made to a property.

For new construction, the City of Cincinnati offers 15-year tax abatement up to a maximum of \$231,854 market value. You pay tax only on the land and the value above that amount.

The program, started in October 2002, is scheduled to expire on October 23, 2007.

For more information and an application, please visit the city's Department of Community Development and Planning at <http://www.cincinnati-oh.gov/cdap/pages/-3521-/>. Or, call the department at 352-5352.

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